

## What is FLSA?

The **Fair Labor Standard Act (FLSA)** establishes minimum wage, overtime pay, recordkeeping and youth employment standard affecting full-time and part-time employees in federal, state, and local government.

The **Fair Labor Standard Act (FLSA)** basic requirements are:

- ✘ Payment of the minimum wage
- ✘ Overtime pay for time worked over 40 hours in a work week
- ✘ Restrictions on the employment of children and
- ✘ Recordkeeping

There are common problems and misconceptions which Wage and Hour investigations frequently disclose. These include:

- ✘ The misapplication of the executive or administrative exemption to non-exempt “salaried” person such as clerical workers, working foremen, dispatchers, and inside salespersons.
- ✘ Employment of underage minors in prohibited duties and/or beyond permitted hours.
- ✘ Failure to pay overtime to non-exempt salaried employees.
- ✘ Failure to maintain records on non-exempt salaried or piece rate employees.
- ✘ Granting compensatory time off in lieu of overtime pay.
- ✘ Considering certain employees to be “contract labor” or independent contractors and thus treating them as not covered by the FLSA’s provisions.
- ✘ Illegal deductions or kickbacks for shortages, uniforms, errors, bad check, etc., which reduce an employee’s pay below the applicable minimum wage or required overtime pay.
- ✘ Failure to pay minimum and overtime to part-time employees.

Streamline CXO wants to help you understand federal and state labor laws, which ones apply to you, and how to comply.